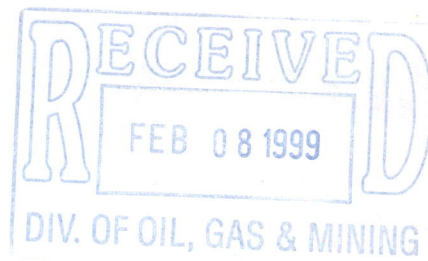


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940



ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) Aug. 1997 To (mo./yr.) Sept. 1998
2. DOGM File Number (Mine No): 5030 / 632
3. Mine Name: Lucky Darnet
4. Mineral(s) Mined (or permitted to mine): Lead, Silver, Darnet
5. Type of mine ☒ Surface Mine or ☐ Underground Mine
6. Legal Description (Location of Lands Affected):
1/4, NW 1/4, 1/4, Section 17, Township 11S, Range 5W
1/4, SW 1/4, 1/4, Section 17, Township 11S, Range 5W
1/4, 1/4, 1/4, Section, Township, Range
7. Name of Operator or Company: Darrell C. Holden
8. Permanent Street Address: 304 S. Main - P.O. Box 11
City, State, Zip: Vernon - Utah 84080
Phone: 435-839-3464
9. Company Representative (or designated operator):
Name: Darrell C. Holden
Title: Designated operator
Business Address: P.O. Box 11
City, State, Zip: Vernon - Ut. 84080
Phone: 435-839-3464
☐ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☒ No ☐
2. If no - what was the last year of activity? _____
3. If yes - how much ore or mineral was mined? 1,000 to 1,500 lbs.

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.

Nothing new

5. How much **additional acreage** was disturbed during the past year? work is in progress
6. How much acreage was **reclaimed** during the past year? work is in progress
7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.
reasonable methods; to attempt to keep area disturbed contained; re-seeded, and erosion possibilities in check. However, motorcycle race goes across our claims thus causing major erosion, and problems with wildlife heretofore undisturbed - (BLM allows the race)
8. What is the **total disturbed acreage** of entire project at years end? not more than 1 acre
9. Briefly summarize any mining and/or reclamation plans for the upcoming year.

Keep a plan of operation; develop cuts that are in existence and continue development of claims area in attempt to discover more garnet/mineral and produce what we find, or uncover. Maintain existing roads + re-seed any disturbed areas/replace soil; to keep in stable condition.

NOTE:

Section III., "Additional Information" applies only to **large mining operations**.

III. Additional Information

1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted. no change of significance
2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print):

Darrell C. Holden

Title of Operator:

Operator

Signature of Operator:

Darrell C Holden

Date:

4 Feb 1999

jb

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